

109TH CONGRESS  
1ST SESSION

# S. 1157

To amend the Internal Revenue Code of 1986 to treat gold, silver, platinum, and palladium, in either coin or bar form, in the same manner as equities and mutual funds for purposes of the maximum capital gains rate for individuals.

---

## IN THE SENATE OF THE UNITED STATES

MAY 26, 2005

Mr. CRAPO (for himself, Mr. REID, Mr. ALLARD, Mr. BAUCUS, Mr. CRAIG, and Mr. ENSIGN) introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

To amend the Internal Revenue Code of 1986 to treat gold, silver, platinum, and palladium, in either coin or bar form, in the same manner as equities and mutual funds for purposes of the maximum capital gains rate for individuals.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fair Treatment for  
5 Precious Metals Investors Act”.

1 **SEC. 2. GOLD, SILVER, PLATINUM, AND PALLADIUM TREAT-**  
 2 **ED IN THE SAME MANNER AS STOCKS AND**  
 3 **BONDS FOR MAXIMUM CAPITAL GAINS RATE**  
 4 **FOR INDIVIDUALS.**

5 (a) IN GENERAL.—Section 1(h)(5) of the Internal  
 6 Revenue Code of 1986 (relating to definition of collectibles  
 7 gain and loss) is amended—

8 (1) by striking “(as defined in section 408(m)  
 9 without regard to paragraph (3) thereof)” in sub-  
 10 paragraph (A), and

11 (2) by adding at the end the following new sub-  
 12 paragraph:

13 “(C) COLLECTIBLE.—For purposes of this  
 14 paragraph, the term ‘collectible’ has the mean-  
 15 ing given such term by section 408(m), except  
 16 that in applying paragraph (3)(B) thereof the  
 17 determination of whether any bullion is ex-  
 18 cluded from treatment as a collectible shall be  
 19 made without regard to the person who is in  
 20 physical possession of the bullion.”.

21 (b) EFFECTIVE DATE.—The amendments made by  
 22 subsection (a) shall apply to taxable years beginning after  
 23 December 31, 2004.

○